

**MINUTES
EAGAR TOWN COUNCIL
REGULAR MEETING
22 W. 2nd St., Eagar, AZ
January 3, 2012 – 7:00 P.M.**

Mayor Kim Holaway called the regular council meeting to order and welcomed those present. Mayor Holaway said to let the record show that all council members are present. Mayor Holaway led the Pledge of Allegiance and Bruce Ray offered the invocation.

COUNCIL PRESENT: Kim Holaway, Mayor
 James Nelson, Jr., Vice Mayor
 Byron Smith
 Gary Finch
 Steve Erhart
 Tim Rasmussen
 Debbie Rogers

STAFF PRESENT: Bill Greenwood, Town Manager
 Bruce Ray, Community Development Director
 Eva Wilson, Town Clerk
 Neil Barton, Public Works Director
 Katie Wood, Finance Administrator
 Howard Carlson, Fire Chief
 Mike Hogan, Police Chief
 Doug Brown, Town Attorney

ITEM #5: SUMMARY OF CURRENT EVENTS

A. MAYOR

Mayor Kim Holaway announced that State Routes 260, 261 and 273 are currently closed due to snow. Mayor Holaway has spoken to Hank Rogers, Arizona Department of Transportation (ADOT) Boardmember about getting these routes plowed. Mr. Rogers stated that Rod Wigman, the Senior Community Relations Officer is willing to speak to the Council regarding the plowing of these State Routes.

B. COUNCIL

Councilor Gary Finch reiterated that the state routes need to be open for winter recreational tourism.

C. STAFF

Town Clerk Eva Wilson announced two upcoming meetings:

- Apache and Navajo Counties Mayor and Councilmember Association Meeting on Monday, January 9, 2012 at 12:00 noon at the Supervisor's Board Room in St. Johns.

- Council / Staff Retreat on Thursday January 19, 2012 at 4:00 p.m. at Trailriders Restaurant in Eagar.

ITEM #6: OPEN CALL TO THE PUBLIC

Springerville-Eagar Regional Chamber of Commerce Director Becki Christensen submitted the Chamber report for the Wallow Fire Rebate Program that was held November 12 through November 18, 2011. The report showed that \$32,651.28 was spent in Eagar during the program.

Ms. Christensen also reported on the success of the Lighted River Walk with approximately 600 people attending and \$355 collected in donations. After seeing the results more businesses and citizens are willing to set up displays at next year's event. Ms. Christensen would like to see this event partnered and marketed with the North Pole Experience and Sunrise in the future.

Ms. Christensen reported on Tony Kyle's planned events and that the Winter Jamboree will not take place as there was too much to do in the short period allowed and that her help had other commitments. The first event from Mr. Kyle's marketing plan will be the Sawmill Festival. Mr. Kyle has offered to work to market Round Valley for one year at no charge.

Several members of the audience from Apache and Navajo Counties spoke against the Housing Urban Development (HUD) Grant and any participation in the Sustainability Consortium that Economic Development Apache County (EDAC) is administering. Comments include:

- Barry Willer – After a lot of effort to revise the current Participant Agreement, the revised Consortium Agreement still has all the strings attached that are considered unfavorable; certain requirements are stipulated by the grant.
- Karen McCann – Besides being an Agenda 21 program, the accounting of the HUD Grant budget shows that the majority of funding goes towards administrative costs/salaries and does not benefit the communities as a whole. Ms. McCann stated her research was obtained from the www.neazsc.org website.
- Jim Staffnick – When trying to obtain information on the HUD Grant, EDAC referred him to the State HUD Department. HUD requires Freedom of Information Act (FOIA) request for any records to be released. Mr. Staffnick states that he has had to FOIA HUD at the State level and in Washington D.C. to request records on this local grant; he has yet to receive a reply on the FOIA. His point being that the HUD Grant is not locally controlled for local issues nor are the agencies and process cooperative or transparent.

Eagar citizen Allen Browning addressed the Council stating that the Council should not allow persons not from Eagar to speak at Eagar Council meetings as it takes away time away from local citizens to speak and is a distraction to those in attendance.

Linda Tanner stated that the sustainability consortium affects citizens from Apache and Navajo Counties and that all taxpayers pay for the HUD Grant.

ITEM #7: CONSENT AGENDA

APPROVAL OF MINUTES OF EAGAR TOWN COUNCIL MEETINGS HELD DECEMBER 2011

APPROVAL OF NOVEMBER 2011 BANK TRANSMITTALS 1-21, NATIONAL BANK OF AZ CHECKS WRITTEN FROM 31093 - 31398, PAYROLL DIRECT DEPOSIT VOUCHERS 11031101 - 11171138, CARD MEMBER SERVICE CREDIT CARD PURCHASES

Councilor Steve Erhart moved to approve the Consent Agenda as presented. Councilor Byron Smith seconded; all were in favor, motion carried unanimously. 7-0

ITEM #8: UNFINISHED BUSINESS

A. DISCUSSION AND CONSIDERATION OF NOVEMBER FINANCIAL REPORT, AND THE TOWN'S SALES TAX REVENUE REPORT

Finance Administrator Katie Wood reported slow incoming revenues especially in regards to grant revenue and reimbursements; outstanding revenues of approximately \$500,000 include fire and flood reimbursements, Kennedy Well, CDBG, CDBG-R, Spanish Trail Project, and LeSueur Drainage Project. Expenditure line item "Charge for Service" is at 115% and is one of the line items that will require a journal adjustment to come in line.

Town Manager Bill Greenwood reported the sales tax revenues are on track with what was budgeted, however sales tax revenue is down \$13,000 from last year's sales. Of course construction is down over last year as the high school construction is complete. Accommodations are down as well and Mr. Greenwood reported that other White Mountain Communities are showing the same trend for the same time period. Mayor Holaway stated that the Basha's manager reported to her that last month's sales were up approximately 30 percent over last year.

ITEM #9: NEW BUSINESS

A. DISCUSSION AND CONSIDERATION OF EAGAR'S STEERING COMMITTEE DIRECTION AND ROLE

Mayor Holaway stated that since the Council and public discussed this subject in Work Session, there is no further discussion and there is no action to be taken.

Councilor Gary Finch stated that he appreciates the steering committee's work that they have done and for their service.

B. DISCUSSION AND CONSIDERATION OF INSTALLING A CROSSWALK ON EAST 2ND AVENUE AT BUTLER STREET

Mayor Holaway stated that this item is removed from the agenda.

C. DISCUSSION AND CONSIDERATION OF CHANGING THE SPEED LIMIT TO 15 MILES PER HOUR ON EAST SECOND AVENUE FROM BUTLER STREET TO RENEE STREET

Mayor Holaway stated that this item is removed from the agenda.

D. DISCUSSION AND CONSIDERATION TO GRANT EASEMENT IN TOWN RIGHT-A-WAY ON 2ND AVENUE TO CRAZY FROG DESIGNS AND TEE'S FOR PLACEMENT OF PROPANE TANK AND SOLID WASTE CONTAINER

Council Steve Erhart asked to recuse himself from this item declaring a conflict of interest.

Town Manager Bill Greenwood reported Crazy Frog Designs and Tees has requested an utility easement for a propane tank and solid waste container. He added that there is ample room off of 2nd Avenue to allow a utility easement with the propane tank set back of ten feet. The best placement of the propane tank and solid waste container within a block enclosure will be to the north of the business. Crazy Frog and Eagar Appliance may share the utility easement but that is dependent on their negotiations. Parking for Centennial Park will not be affected by the utility easement. The Design Review Board has yet to review and approve the final plan.

Vice-Mayor James Nelson, Jr. moved to grant an easement in the Town right of way on 2nd Avenue to Crazy Frog Designs and Tees for placement of propane tank and solid waste container pending the Design and Review final approval of the easement. Councilor Gary Finch seconded; Councilor Steve Erhart declared a conflict of interest and the remaining were in favor, motion carried unanimously. 6-0

E. DISCUSSION AND CONSIDERATION TO APPOINT TWO NEW PLANNING AND ZONING COMMISSIONER'S MARSHA GREGORY TO A THREE-YEAR TERM AND WESLEY MCBRIDE FOR A ONE-YEAR TERM

Community Development Director Bruce Ray reported that there would be two seats on the Planning and Zoning Commission vacated by David Torres and Gary Cressy. Both Marsha Gregory and Wesley McBride are willing to serve for the specified terms.

Councilor Gary Finch moved to appoint Wesley McBride and Marsha Gregory to fill the two vacant seats on the Planning and Zoning Commission. Councilor Byron Smith seconded; all were in favor, motion carried unanimously. 7-0

F. DISCUSSION AND FIRST READING OF ORDINANCE 2012-01 AMENDING EAGAR TOWN CODE TITLE 2 SECTION 2.04.050 – FILLING OF COUNCIL VACANCIES

Town Clerk Eva Wilson proposes that the Town Code be amended to comply with Arizona Revised Statutes. The proposed ordinance will mandate that a council vacancy be filled by

election for the remaining term if a seat is vacated more than 30 days before the nomination deadline, otherwise the appoint is for the unexpired term; and details how the town clerk is to prepare the ballots to fill the vacancy.

G. DISCUSSION AND CONSIDERATION TO APPROVE A JOINT PARTNER AGREEMENT BETWEEN ARIZONA DEPARTMENT OF TRANSPORTATION AND THE TOWN OF EAGAR TO MILL THE EXISTING ASPHALT AND REPAVING ALONG BUTLER STREET FROM CENTRAL AVENUE TO 5TH AVENUE, AND ALONG MAIN STREET FROM CENTRAL AVENUE TO 4TH STREET

Public Works Director Neil Barton reported that in preparation for the upcoming project on North Butler Street and South Main Street, ADOT is in need of an approved draft Joint Partner Agreement to move forward on finalizing the scope and start the design process. The process should be approved by ADOT in approximately 60 days. This project is listed and budgeted in the Capital Improvement Projects for the Town. The Town's match of the entire project will be approximately ten percent of the project cost of \$525,250. To move forward the execution of this agreement is needed, as well as submission of \$11,813 for design review fees and costs. Upon acceptance of the completed design the Town's share of construction costs of \$29,936 will be expended. The town will keep the millings from the project that are an asset and will be reused. The project does not include right-of-way improvements, curbs, or sidewalks.

Mr. Barton stated that if costs of the project are more or less than anticipated then South Main Street may have more or less improvements performed based on the budget.

Vice-Mayor James Nelson, Jr. moved to approve a Joint Partner Agreement between Arizona Department of Transportation and the Town of Eagar to mill the existing asphalt and repaving along Butler Street from Central Avenue to 5th Avenue, and along Main Street from Central Avenue to 4th Street. Councilor Steve Erhart seconded; six were in favor Councilor Gary Finch was opposed, motion carried. 6-1

H. DISCUSSION AND CONSIDERATION TO APPROVE AN AGREEMENT FOR PROFESSIONAL SERVICES WITH BFI BUILDING CODE CONSULTANTS, LLC FOR PLAN REVIEW ON COMMERCIAL PROJECTS

Community Development Director Bruce Ray reported that over the years the Town has had agreements with at least two consulting firms for services on an as needed basis for plan review for commercial projects and third party inspections that could not be done in-house. Veritas of North America has limited their service in Arizona and the Town will continue to have an agreement with Madara Engineering. Mr. Ray is recommending entering into an agreement with BFI Building Code Consultants, LLC as the Town's second consulting firm to replace Veritas of North America. The agreement with BFI Building Code Consultants, LLC is an open-ended agreement; services would be on an as needed basis with no minimum amount of services required to keep the agreement in effect.

Councilor Steve Erhart moved to approve an agreement for professional services with BFI Building Code Consultants, LLC for plan review on commercial projects. Councilor Byron Smith seconded; all were in favor, motion carried unanimously. 7-0

ITEM #10: EXECUTIVE SESSION

- A. EXECUTIVE SESSION AS ALLOWED BY A.R.S. § 38-431.03.A.1. - DISCUSSION OR CONSIDERATION OF EMPLOYMENT, ASSIGNMENT, APPOINTMENT, PROMOTION, DEMOTION, DISMISSAL, SALARIES, DISCIPLINING OR RESIGNATION OF A PUBLIC OFFICER, APPOINTEE OR EMPLOYEE OF ANY PUBLIC BODY, EXCEPT THAT, WITH THE EXCEPTION OF SALARY DISCUSSIONS, AN OFFICER, APPOINTEE OR EMPLOYEE MAY DEMAND THAT THE DISCUSSION OR CONSIDERATION OCCUR AT A PUBLIC MEETING – TOWN MANAGER PERFORMANCE EVALUATION

Vice-Mayor James Nelson moved to move into Executive Session at 8:25 p.m. Councilor Debbie Rogers seconded; all were in favor, motion carried unanimously. 7-0

- B. DISCUSSION AND CONSIDERATION OF ANY ACTION DEEMED NECESSARY FROM THE EXECUTIVE SESSION IN REGARDS TO THE PERSONNEL ISSUE

Councilor Steve Erhart moved to reconvene into Regular Session at 10:40 p.m. Vice-Mayor James Nelson, Jr. seconded; all were in favor, motion carried unanimously. 7-0

Mayor Holaway reported to the audience that the Council met in Executive Session to discuss Mr. Greenwood's performance evaluation and that no action will be taken on this item.

ITEM #11: SIGNING OF DOCUMENTS

Mayor and Council signed the Minutes of December 2011 and the necessary signatures were obtained for the BFI Building Code Consultants, LLC agreement.

ITEM #12: ADJOURNMENT

Councilor Gary Finch moved to adjourn the meeting at 10:45 p.m. Councilor Debbie Rogers seconded; all were in favor and the motion carried unanimously. 7-0

Attest: _____

Mayor: _____

Eagar Council Regular Session
January 3, 2012

Vice-Mayor: _____

Council: _____

CERTIFICATION OF COUNCIL MINUTES

I hereby certify that the foregoing minutes are true and correct copy of the
minutes of the regular session of the Town of Eagar, Arizona held on January 3, 2012.
I further certify that the meeting was duly called and held and that a quorum was present.

Eva M. Wilson, Town Clerk